

Division of Long Term Supports and Services Bureau of Developmental Services

**Rate Structure Work Group
May 12, 2023**



Agenda

Agenda for 5/12 Meeting

1. Follow up on elements of service coordination discussed during the April meeting.
 - Updates to Service Coordination Wages – Updated BLS data
 - Discuss Employee Benefit Percentage
 - Discuss Caseload
2. Present a workbook to collect feedback for Direct Support Professional (DSP) Wages.

This Rate Setting Work Group is open to the public. Members of the public may ask questions through the Q&A or Chat features.

This structure ensures that the Department can engage a diverse group of stakeholders in substantive dialogue while also providing transparency and general updates to the general public.

If you are a member of the public and have questions about the Rate Setting Work Group and/or its work, please contact us at BDSRateStructureWorkgroup@dhhs.nh.gov and we will respond as soon as possible.



Follow-Up on Service Coordination



Service Coordinator Wage – Follow Up

UPDATED Bureau of Labor Statistics (BLS) Wage Data:

Occupation Code	Occupation Description	Education Level	BLS 2022 Median Hourly Wage	Weight
21-1018	Substance Abuse, Behavioral Disorder, and Mental Health Counselors	Bachelor's Degree	\$22.45	50%
21-1022	Healthcare Social Workers	Master's Degree	\$33.33	50%
	Calculated Weighted Median Hourly Wage		\$27.89	
	Calculated Inflated Wage; Inflation factor of 10.31% <ul style="list-style-type: none"> Approximately 5% increase from the wage presented in April 		\$30.77	
	Calculated Inflated Wage, Presented in April, Based on BLS 2021 Data		\$29.31	



Comparison of Service Coordinator Wages - Updated

Source	Hourly Wage, Before Inflation
Cost Report Median	\$20.75
Cost Report Weighted Average	\$21.31
Proposed BLS Median Wage	\$27.89
Current Employment Listing Average	\$22.31

BDS is proposing to use the BLS Median Wage, with inflation, for calculating service coordination wages. This calculates to \$30.77/hour.



Employee Benefits (ERE Component) – Follow-Up

- During the April Meeting the Employer Related Expense (ERE) component that was presented was the Median Employee Benefit % of Total Wages for all cost reports received.
 - Median Employee Benefit % of Total Wages = 26.04%
- Discussion in April lead us to look at the ERE component by service.
- Service Coordination is the one service with a Median that was not consistent with other services.
- The proposed ERE Median for Service Coordination is 31.07%.
 - Benefits included in this percentage are payroll taxes, worker's compensation, health insurance, retirement contributions, and other benefits such as disability pay.



Employee Benefits (ERE Component) – Follow-Up

- April’s discussion also brought up the concern of increasing health insurance expense.
- As BDS is proposing to use BLS Median wage for Service Coordination, which is higher than the cost report wage, the calculated employee benefit component will also be higher.

Figures below are for demonstration of concept only. These do not represent any portion of actual rate calculations.

	Cost Report Service Coordinator Median Wage	BDS Proposed Service Coordinator Wage, Inflated	% Change
Example Wage, Per Hour	\$ 22.89	\$ 30.77	34.43%
Example Health Insurance % of Total Wage	11%	11%	
Calculated Health Insurance Component	\$ 2.52	\$ 3.38	34.43%

- In this example, health insurance is calculated as a percent of wage, so as the DSP wage increases, so does the amount of calculated employee benefit expense.



Service Coordinator Caseload – Follow-Up

- In April, we discussed that new service coordinators would not have the same caseloads as experienced service coordinators.
- Updated our calculations to account for new service coordinators and to also factor in turnover.

Months		Caseload		
A	B	C = A*B	D = C / A	
6	20	120		Caseload of 20 for new service coordinator first 6 months (this assumes no prior experience)
6	32	192		Caseload of 30 for experienced service coordinator
12		312	26	Average caseload for new service coordinator during first year of service

Turnover			
E	F	G = E*F	
32.69%	26	8.50	Turnover from cost reports of 32.69%; Use 26 average caseload for new service coordinator
67.31%	32	21.54	Caseload of 32 for retained service coordinators
100%		30.04	Weighted Average Caseload

- Weighted Average Caseload is calculating at 30.
- It is also assumed that each service coordinator will have a “mix” of individuals they work with.



Direct Support Professional (DSP) Wage Exercise



Direct Support Professional (DSP) Wage Exercise

- We would like your input on DSP wages.
- On the feedback document, you will see the proposed Bureau of Labor Statistics (BLS) wage categories and weights BDS proposed for each service in the current waiver.
- Your task: Provide feedback on the proposals. If you believe changes should be made, identify the change and document your reason for the change.
 - Changes can include a change to the proposed BLS Occupation Code, a change to the weight, or both
- Share this document with others so we can collect as much feedback from various sources as possible.
- This information will provide us with a starting point for wage discussions. Future revisions may be made to account for various levels of services.
- **DUE MAY 31, 2023**



Questions?



Next Steps



Next Steps

- Continue to calculate service rates.
- Evaluate stakeholder feedback on the DSP wages.
- Continue to evaluate SIS-A data and correlations to rates.

